

2014 Travel & Business-Related Expense Policy: Contractor

I. POLICY STATEMENT

This policy document sets forth the standards and procedures used to identify and reimburse legitimate travel and business-related expenses incurred while conducting necessary, authorized business of the State Bar, per the individual consultants' contracted terms and conditions

II. SCOPE

Except as noted otherwise, this policy is designed to cover all contractors who seek reimbursement for out-of-pocket expenses incurred while conducting State Bar business. Out-of-pocket expenses include transportation, lodging, meal and incidental costs that are necessary, authorized and reasonable, resulting from conducting State Bar business. Reimbursements may be disallowed or otherwise limited as defined in the consultant agreement.

III. REPORTING GUIDELINES

A. EXPENSE REPORT

1. Responsibilities: It is the responsibility of travelers who have active formal contracts that allow for the reimbursement of basic travel expenses to timely submit a completed legible [*Expense Report*](#), with support documentation, to his/her State Bar contract manager for approval. This form will confirm the allowable travel expense rates and provide supporting documentation to invoices submitted against Purchase Orders for work performed. It is the responsibility of contractor's contract managers to assure that *Expense Reports* accurately comply with this policy and any other specific contracting requirements agreed to in the formal written agreement.
2. Expense Report: The *Expense Report* form is used to reimburse individuals for out-of-pocket travel expenses while conducting business for the State Bar, if so stipulated per written executed agreement.
3. Travel Dates: Travelers can use the *Expense Report* for a maximum of two trips conducted within seven consecutive days. If a single trip goes over seven consecutive calendar days, a separate *Expense Report* is required. Monday's date of week one will be used for audit purposes when trips span a single calendar week.
4. Expense Report Receipts: Original issued receipts for any expense must be attached to the *Expense Report* with the exception of receipts for public transportation (e.g. BART, meter parking, auto tolls, where no receipt provided.) and per diem meals. Receipts must contain itemized pricing and reflect appropriate travel detail (e.g., departure-arrival times, dates, service class, upgrades, additional fees, etc.) Statement summaries and non-itemized credit card receipts are not acceptable. Electronically issued receipts are considered original issued receipts. To substantiate a charge for reimbursement, receipts for lodging or car rentals must be in the name of the traveler.
5. Deadlines: The deadline for submitting an *Expense Report* to the contract manager is 30 calendar days after the traveler incurs the expense. *Expense Reports* submitted after 60 calendar days will not be processed for payment unless expressly approved for late payment

by the Executive Director or designee. *Expense Reports* submitted to Finance will be processed within 10 days of receipt, provided they are submitted with proper invoicing with references the original agreement and have been expressly authorized for payment by the party receiving the goods and/or services. Incomplete, incorrect, or illegible reports will be returned to the departmental liaison for correction, which may result in delay or non-reimbursement of a specific item.

6. Revisions: *Expense Reports* must be verified for accuracy and properly approved by the responsible contract manager prior to submission to Finance. All modifications to a handwritten *Expense Report* must be individually initialed by the person making the correction. Any revisions necessary to correct or add to a previously submitted *Expense Report* must clearly state "revised" and include a copy of the original *Expense Report* attached.
7. Gifts, tokens of appreciation and other non-travel related expenses are not reimbursed under this policy.

B. PURCHASING CARD REPORTING

Pcards are not to be used for contractor travel.

IV. REIMBURSABLE EXPENSES

While conducting authorized business, State Bar contractors defined in the scope of this policy are eligible to be reimbursed for out-of-pocket expenses related to transportation, lodging, and meal costs unless limited by individual contract terms and conditions.

A. TRANSPORTATION

1. Personal Automobile

- a) Travelers required to use a personal automobile to conduct State Bar business will be reimbursed for mileage at the Internal Revenue Service approved rate regardless of whether Travel Status requirements are met, consistent with the following guidelines:
 - i) Reimbursable mileage is incurred when a traveler leaves the location of his/her primary workplace on State Bar business and returns to that same location.
 - ii) Reimbursable mileage is incurred when a traveler does not report to his/her primary workplace during the workday because of State Bar business
 - iii) Reimbursable mileage is incurred while conducting State Bar business while on the way to or from home or from the primary workplace. Reimbursement will be for that mileage in excess of normal commute round trip mileage between home and the primary workplace.
 - iv) Travelers who elect to drive rather than fly to conduct State Bar business will not be reimbursed in excess of the most economical form of transportation. Mileage reimbursement in excess of what comparable airfare would have cost is not reimbursable.
- b) Fuel that is put into a private vehicle is not reimbursable. The mileage rate is intended to reimburse fuel costs, maintenance and other depreciation for private auto use.

- c) Damage to personal autos while being used on State Bar business is not covered because a portion of the mileage reimbursement is intended to defray the insurance cost to the individual.

2. Car Rental

- a) Rental cars may be used only when necessary and economically practical compared to other modes of transportation. When a rental car is required to conduct State Bar business away from the individual's primary workplace, the State Bar will reimburse the expense in conformity with the terms and guidelines of this policy regardless of whether the Travel Status requirements are met.
- b) As a general rule, when renting a car, low cost models should be requested taking advantage of the rental car company's available discounts.
- c) Reimbursement for car rentals will be made where it is a justified economical use of the traveler's time in the particular circumstances. Written justification must be provided for any car rental that exceeds a total of \$250 per rental period.
- d) Alternatives to a rental car should be evaluated based on cost and time. In some cases, it is less expensive and more convenient to use cab service, hotel shuttle or public transportation.
- e) The State Bar carries insurance that covers employees and volunteers, but not independent contractors when renting a vehicle while on State Bar business. All additional insurance elections will be deemed a personal expense chargeable to the traveler.
- f) Fuel costs incurred for rental cars while on State Bar business are reimbursable. Whenever practical, travelers should return cars with a full tank of gas to avoid excessive refueling charges by car rental companies. Car rental companies offer a Fuel Purchase Option that allows for the purchase of a full tank of gas allowing the car to be returned with an empty tank. This option may be cost-efficient but should be used only if the car will be driven enough to exhaust close to a full tank of fuel.
- g) Additional charges for luxury-class-upgrades, SUVs, electric-cars, convertibles, sports-cars, GPS navigation devices or fees for frequent-flyer points will not be reimbursed beyond the standard economy rental available.
- h) Compliance with the rental car agency agreement is the responsibility of the traveler who signs the rental agreement. Please be aware of provisions in the rental agreement that prohibits any other person from driving the car.
- i) In the event of an accident, follow these steps:
 - Attend to any medical issues.
 - Report to appropriate law enforcement agencies immediately.
 - Consult the rental contract and follow its instructions.
 - Promptly submit an accident report to your State Bar liaison.

3. Air Travel

- a) Travelers should strive to obtain the most economical airline fares available without regard to the accrual of personal frequent flyer miles
- b) Compensation for air travel will be limited to the cost of a coach/economy fare and any additional baggage fees, if required. The cost of preferential seating, pre-boarding or any

other accommodation upgrade, in any class, will be deemed a personal expense chargeable to the traveler. Charges or fees incurred from change of flight schedule for personal convenience is not reimbursable.

4. Shuttle/Taxi Service

- a) Shuttle van service may be used, time permitting, for trips both to and from the airport where economically feasible. Actual cost including customary gratuity will be reimbursed. Tipping is optional, and as a general rule, tip should not exceed 15 percent of the total fare.
- b) Actual cost including customary gratuity will be reimbursed when a less expensive service is not suitable. When taxi service is required to conduct State Bar business away from the individual's primary workplace, the State Bar will reimburse the expense in conformity with the terms and guidelines of the Travel and Business-Related Expense Policy regardless of whether the Travel Status requirements are met. Tipping is optional, and should not exceed 15 percent of the total fare.
- c) Limousine and Towncar service is not a reimbursable expense.

5. Transit Fees, Parking and Fines

- a) Tolls, parking fees and public transit fares incurred by travelers on State Bar business are reimbursable expenses and must be identified as such on *Expense Reports* under tolls/parking fees. When travel is required to conduct State Bar business away from the individual's primary workplace, the State Bar will reimburse these expenses in conformity with the terms and guidelines of this policy regardless of whether the Travel Status requirements are met.
- b) Parking tickets and traffic fines incurred by travelers will not be reimbursed.

B. LODGING

- 1. When lodging away from home is required to conduct State Bar business and Travel Status is not invoked, the State Bar will reimburse lodging expenses at the authorized rates (Appendix A) and in conformity with the terms and guidelines of this policy regardless of whether the Travel Status requirements are met.
- 2. Individuals engaged as speakers for State Bar sponsored programs may be reimbursed for the actual cost of a standard single accommodation hotel room per the individual custom contract terms and conditions.
- 3. Lodging must be provided by a commercial establishment in the travel accommodation industry (e.g. hotel, motel, executive leased apartments, etc.). No reimbursements will be made for stays at personal residences or other barter or in-kind arrangements.
- 4. The State Bar covers the cost of the hotel room, parking and certain limited business-related business center expenses. Travelers are responsible for covering their personal incidental expenses including telephone calls, internet access, room service and other in-room self-service items. All hotel guests are asked to provide a personal credit card at the time of check in to cover the cost of personal incidentals. See Section V.D., Communications & Incidentals.
- 5. Any charges resulting from failure to cancel lodging reservations are not the responsibility of the State Bar unless the reason for failure to cancel in time is business-related and the result of direct State Bar actions.

6. Optional, but reasonable tips in connection with the handling of bags, valet service, and accommodation maid service are reimbursable expenses but cannot exceed \$6.00 per travel day.

C. MEALS

1. Travel Status Meal Guidelines

- a) Individuals on Travel Status will be entitled to their own meal expenses up to the maximum amount allowed under the authorized per diem meal rates. Payment will be made only for the traveler's own expenses. Each traveler is responsible for his/her own travel and meal expenses-- one person may not use State Bar resources to pay for the meals of other travelers.
- b) If the cost of a meal exceeds the approved per diem rates, only the amount of the per diem rate will be paid by the State Bar.
- c) Eligibility for meal per diems is based on the time(s) during which an individual is on Travel Status. The following guidelines apply:
 - Breakfast: Travel status before 7:00 a.m.
 - Lunch: Travel status at 12:30 p.m.
 - Dinner: Travel status after 7:00 p.m.
- d) The meal per diem may not be claimed when a meal is otherwise provided at State Bar expense (e.g. a State Bar catered lunch, conference meals, etc).
- e) Tips for restaurant service are considered to be part of the per diem rate and are not reimbursable beyond the per diem rate.

2. Catered Meals

- a) Refreshments and/or meals may be catered at State Bar expense at State Bar meetings and events provided that the attendees are not exclusively State Bar employees and the subject matter of the event is not routine internal State Bar business or staff meetings. Individuals attending such activities as part of their duties are entitled to partake of the catered meal, regardless of whether they are on Travel Status. Meal per diem rates do not apply when a catered meal is provided.
- b) Catering is defined as a contracted for food and beverage service. Catering can either be served on State Bar, hotel or convention site premises, or pre-booked contract meeting accommodations at a commercial restaurant (e.g. catering for Board of Governors meetings in LA, SF or offsite). Individual meals ordered off a restaurant menu, absent a food and beverage contract with the provider, does not meet this definition of catering, whether for an entire committee or a subset of same.
- c) In certain circumstances, a State Bar meeting or function may occur in which the cost of a meal or refreshments is included in the registration fee or is to be reimbursed by attendees individually, in which case traveler may not claim individual per diem reimbursement.

3. Alcoholic Beverages

- a) Alcoholic beverages or corkage fees are not reimbursable travel/ business expenditures.

APPENDIX A

Authorized Travel Expense Rates: Effective January 1, 2014

Lodging:

(Within city limits, excluding all taxes)

San Francisco\$205.00

Sacramento\$150.00

All other areas\$150.00

Contractor Travel Meals:

Breakfast\$ 7.00

Lunch\$11.00

Dinner\$23.00

Mileage:

The personal auto mileage reimbursement rate is 56¢ per mile driven. The mileage reimbursement rate will be adjusted to mirror the reimbursement rate established by the U.S. Internal Revenue Service for business-related reimbursement. These rates are imbedded in the formulas of the online *Expense Report* and will be adjusted on the effective date of any rate change.